

## Message Text

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ORIGIN EB-11

INFO OCT-01 IO-14 ISO-00 AGR-20 CEA-02 CIAE-00 COME-00

DODE-00 FRB-02 H-03 INR-10 INT-08 L-03 LAB-06 NSAE-00

NSC-07 PA-04 RSC-01 AID-20 CIEP-02 SS-20 STR-08

TAR-02 TRSE-00 USIA-15 PRS-01 SP-03 OMB-01 SWF-02

FEA-02 OIC-04 AF-10 ARA-16 EA-11 EUR-25 NEA-14 /248 R

DRAFTED BY EB/OT/GCP:ELWILLIAMS;EB/ORF:NHERRINGER

APPROVED BY EB/OT/GCP:JEO'MAHONY

STR:BSTEINBOCK

TREAS:JJOHNSON (INFO)

COMMERCE:DSCHLECHTY (SUBS)

EB/OT/TA:WBARRACLOUGH

EB/ODF:RGELBARD

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P 232333Z JUN 74

FM SECSTATE WASHDC

TO USMISSION GENEVA PRIORITY

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E.O. 11652: N/A

TAGS: ETRD, GATT

SUBJECT:GATT COMMITTEE ON TRADE AND DEVELOPMENT (CTD),  
JUNE 24-25

REFS: (A) STATE 209623, (B) STATE 212654, (C) GENEVA 3419,  
(D) STATE 133729

1. BASIC U.S. POSITION TOWARD ACTIVITIES OF CTD IN CONTEXT  
OF MTN WAS SET FORTH IN INSTRUCTIONS FOR 26TH SESSION OF  
CTD, OCTOBER 29-30, 1973 (REFTEL A AND PARAGRAPHS 3-4 OF  
REFTEL B). U.S. REP SHOULD CONTINUE TO BE GUIDED BY THOSE  
INSTRUCTIONS, AS APPROPRIATE, INCLUDING GENERAL OBJECTIVE  
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OF AVOIDING UNNECESSARY PROCEDURAL CONFRONTATION IN CTD

AND ENCOURAGING CONSTRUCTIVE ATTITUDE OF LDC'S TOWARD MTN.

2. IMPLEMENTATION OF GATT PART IV. WE HAVE NO NEW INFORMATION TO REPORT CONCERNING U.S. MEASURES BEYOND THAT CONTAINED IN SECRETARIAT NOTE COM.TD/W/210. OUR VIEWS RE MENTION OF U.S. ARTICLE XIX ACTION ON BALL BEARINGS (PARA 6) AS RELATING TO PART IV STANDSTILL COMMITMENT TRANSMITTED REFTEL (D).

3. REVIEW OF RECENT DEVELOPMENTS IN INTERNATIONAL TRADE. U.S. REP MAY NOTE THAT DOCUMENT FOR THIS AGENDA ITEM HAS NOT BEEN RECEIVED IN WASHINGTON. HOWEVER, SHOULD SUBSTANTIVE INTERVENTION BE NECESSARY, HE MAY AT HIS

DISCRETION DRAW ON FOLLOWING GENERAL STATMENTS:

(A) THE RAPID INCREASES IN ENERGY AND IN OTHER COMMODITY PRICES AND HIGH RATES OF GLOBAL INFLATION PRESENT PROBLEMS FOR BOTH DEVELOPED AND DEVELOPING COUNTRIES. HOWEVER, THESE PROBLEMS IN COMMODITY TRADE SHOULD NOT BE DESCRIBED AS INVOLVING DC'S AGAINST LDC'S, SINCE BOTH ARE PRODUCERS, CONSUMERS AND TRADERS OF PRIMARY COMMODITIES. BOTH DC'S AND LDC'S HAVE COMMON HIGHLY IMPORTANT INTERESTS IN RESOLUTION OF CURRENT INFLATIONARY PROBLEMS INCLUDING PROBLEM OF RISING COMMODITY PRICES.

(B) CLOSE COORDINATION IS REQUIRED IN THE AREAS OF ENERGY AND FOOD. FOR INDUSTRIAL MATERIALS, THE PRIORITY OBJECTIVE SHOULD BE TO EXPAND AND LIBERALIZE INTERNATIONAL TRADE.

(C) WE ARE CONCERNED ABOUT THE EFFECTS OF INCREASING COSTS OF COMMODITY IMPORTS AND WE EXPECT TO PARTICIPATE FINANCIALLY IN HELPING THOSE COUNTRIES MOST SERIOUSLY AFFECTED. ALLIVATION CAN ALSO BE ACHIEVED BY REDUCING INFLATION RATES, SEEKING INCREASED PRODUCTION, A RELIABLE FLOW OF SUPPLIES AND REASONABLE PRICES OF KEY COMMODITIES.

(D) PROPOSED SOLUTIONS SHOULD BY EXAMINED WITH RESPECT LIMITED OFFICIAL USE

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TO THE PARTICULAR PROBLEMS OF INDIVIDUAL COMMODITIES. NEITHER COMMODITY AGREEMENTS NOR ANY OTHER SINGLE MECHANISM PROVIDE A KNOWN UNIVERSALLY ACCEPTED PANACEA SUPERIOR TO INCREASED PRODUCTION AND LIBERALIZED TRADE.

(E) THE MULTILATERAL TRADE NEGOTIATIONS OFFER A MAJOR OPPORTUNITY TO DEAL WITH THESE PROBLEMS BOTH FROM THE STANDPOINT OF ACCESS TO MARKETS AND ACCESS TO SUPPLIES.

3. TECHNICAL ASSISTANCE. EXTENSIVE TECHNICAL ASSISTANCE WHICH GATT SECRETARIAT IS PROVIDING AT REQUEST OF TNC AND ITS VARIOUS SUBGROUPS IS WELL DOCUMENTED IN COM.TD/W/211. WE SEE NO NEED FOR SIMILAR WORK UNDER AUSPICES OF CTD.

4. HOWEVER, WE CONTINUE TO SUPPORT THE MORE TRADITIONAL CTD ASSISTANCE EFFORTS RELATING TO INDIVIDUAL COUNTRY EXPORT DEVELOPMENT PROGRAMS OR OTHERWISE AIMED AT EXPANDING OPPORTUNITIES FOR LDC EXPORTS. GATT STUDY ON IMPACT OF INCREASED OIL PRICES ON LDC'S (COM.TD/W/208) IS ONE EXAMPLE OF USEFUL WORK WHICH CAN BE DONE AT REQUEST OF CTD. U.S. REP MAY AT HIS DISCRETION MAKE FAVORABLE COMMENT NOTING REASONABLE AND WELL-BALANCED TREATMENT OF THIS SUBJECT IN SECRETARIAT STUDY.

5. FOLLOWING ADDITIONAL GUIDANCE PROVIDED IN EVENT THESE ISSUES RAISED IN DISCUSSION OF MTN:

(A) IS ENOUGH ATTENTION BEING PAID TO LDC INTERESTS? THIS HAS BEEN GENERAL COMPLAINT ON PART OF SOME LDC'S, BUT IS NOT SUBSTANTIATED IN FACT. WITH RESPECT TO TROPICAL PRODUCTS SUBGROUP, WHICH IS ONLY PLACE WHERE QUESTION HAS COME UP THUS FAR, U.S. REP MAY INDICATE THAT GATT SECRETARIAT IS BEING ASKED TO CARRY OUT AS MANY STUDIES AS RESOURCES PERMIT, INCLUDING THOSE OF HIGHEST PRIORITY TO LDC'S.

(B) UNCTAD PARTICIPATION IN MTN: WE STILL MAINTAIN THAT ATTENDANCE OF UNCTAD AND OTHER INTERNATIONAL ORGANIZATIONS AT TNC IS AT DISCRETION OF TNC. UNCTAD PRESENCE DURING PREPARATORY STAGES WOULD BE ACCEPTABLE IF INVITED BY THE TNC. KISSINGER  
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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TRADE, MEETING AGENDA, LESS DEVELOPED COUNTRIES, COMMITTEE MEETINGS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 23 JUN 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** CollinP0  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Unique ID:** 00  
**Drafter:** ELWILLIAMS;EB/ORF:NHERRINGER  
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**Executive Order:** N/A  
**Errors:** N/A  
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**Secure:** OPEN  
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**Subject:** ATT COMMITTEE ON TRADE AND DEVELOPMENT (CTD), JUNE 24-25  
**TAGS:** ETRD, GATT  
**To:** GENEVA  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005